

**LEGISLATIVE SERVICES AGENCY  
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**FISCAL IMPACT STATEMENT**

**LS 6285**

**BILL NUMBER: SB 128**

**NOTE PREPARED: Feb 16, 2015**

**BILL AMENDED: Feb 16, 2015**

**SUBJECT:** Sewage and Waste Management Districts.

**FIRST AUTHOR:** Sen. Holdman

**FIRST SPONSOR:**

**BILL STATUS:** CR Adopted - 1<sup>st</sup> House

**FUNDS AFFECTED:**     **GENERAL**  
                              **DEDICATED**  
                              **FEDERAL**

**IMPACT:** Local

**Summary of Legislation:** (Amended) This bill provides that the county executive of a county in which a regional sewage district was formed in response to an agreed order entered into after August 31, 2005, may elect to transform the regional sewage district into a county onsite waste management district. It establishes a procedure under which the regional sewage district may be transformed into a county onsite waste management district if the county executive decides to make that transformation. It provides that the primary purpose of the county onsite waste management district, if formed, will be resolving the environmental problems described in the agreed order.

The bill amends the Indiana Code section under which point source discharges of treated sewage from an onsite residential sewage system are allowed if certain conditions are met to make that Indiana Code section apply to the county in which the regional sewage district was formed in response to an agreed order if the county executive of the county elects to transform the regional sewage district into an onsite waste management district. (That Indiana Code section presently applies only to Allen County.)

The bill amends an Indiana Code provision prohibiting a regional sewage district from requiring a homeowner to connect to the district sewer system if the homeowner's property exceeds a certain area so that, in the county in which the regional sewage district was formed in response to an agreed order, the prohibition against requiring a homeowner to connect applies if the area of the homeowner's property is at least one-half acre.

**Effective Date:** July 1, 2015.

**Explanation of State Expenditures:**

**Explanation of State Revenues:**

**Explanation of Local Expenditures:** (Revised) *Summary* - This bill provides that the Wells County Regional Sewage District may be transformed into a county onsite waste management district pending the adoption of an ordinance by the county executive. Costs associated with the district could be paid by Wells County, rates and charges assessed, or grants. The impact will depend upon local decisions.

*Additional Information* - If the Wells County Regional Sewage District becomes a county onsite waste management district, the bill provides that the new district will assume any obligations or assets of the former district. The Wells County Regional Sewage District is inactive and has no employees or assets. There are three board members.

**Explanation of Local Revenues:** (Revised) If Wells County establishes a county onsite waste management district to replace the Wells County Regional Sewage District, the new district could recommend that the governing body of the county impose rates and charges. The impact will depend on local decisions.

Rates and charges may be based on the following:

- (1) A flat charge for each system.
- (2) Variable charges based on the capacity of a system.
- (3) Other factors that the governing body determines are necessary to establish just and equitable rates and charges.

**State Agencies Affected:**

**Local Agencies Affected:** Wells County.

**Information Sources:** Lee vonGunten, Board President, Wells County Regional Sewage District, 260-565-3131.

**Fiscal Analyst:** Jessica Harmon, 317-232-9854.